



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

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IN REPLY PLEASE
REFER TO OUR FILE

July 17, 1998

Magalie R. Salas, Secretary
Office of the Secretary
Federal Communications Commission
Washington, D.C. 20554

RE: FCC Docket No. 98-101
CC Docket No. 98-77

Dear Ms. Salas:

I am filing the enclosed Comment on behalf of the Pennsylvania Public Utility Commission. I have enclosed an original and 16 along with a copy of the comment on a read-only disc in Word Perfect 5.1. I have enclosed in additional copy to be stamped and returned to me in the self-addressed envelope.

Sincerely yours,

Maryanne Martin,
Assistant Counsel
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Enclosures

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of)	FCC Docket No. 98-101
)	CC Docket No. <u>98-77</u>
Access Charge Reform for Incumbent)	
Local Exchange Carriers Subject to)	
Rate-of-Return Regulation)	
)	

COMMENT OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

I. INTRODUCTION

Pursuant to a Notice of Proposed Rulemaking issued on June 4, 1998, (the June Notice), the Federal Communications Commission's (FCC) Common Carrier Bureau (CCB) seeks comment on the appropriate way of implementing access reform for Local Exchange Carriers (LECs) that are not subject to price cap regulation at the FCC.

II. THE PENNSYLVANIA POSITION

1. The Pennsylvania Public Utility Commission (PaPUC) is very concerned about the impact that access reform will have on LECs not subject to price cap regulation. These LECs often serve rural areas and, as the FCC notes, the rate structures used for

price-cap LECs may not have the same impact in the service territory of these rate-base/rate-of-return LECs.

2. The PaPUC intends to submit more extensive remarks in our Reply Comments. The PaPUC intends to address the questions asked by the FCC on adoption of rate structure modifications for rate-of-return LECs that are similar to those adopted for price cap LECs. The PaPUC also intends to submit Reply Comments on the impact on competition in areas served by rate-of-return LECs as well as the query on whether a "one size fits all" approach should be used for all rate-of-return LECs. Finally, the PaPUC will submit Reply Comments on the assessment of SLCs and PICCs on derived channels, local switching, the Transport Interconnection Charge (TIC), SS7 signaling, general support facilities costs, marketing expenses, special access, and other related issues.

3. The PaPUC's desire to resolve our current proceedings dealing with interconnection, universal service, and access reform, which resolution is necessary in order to develop the cost model the FCC seeks in Docket Nos. 96-45 and 97-160, necessitate submitting a more extensive Reply Comment in addition to this Comment.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Maryanne Martin".

Maryanne Martin, Assistant Counsel

Pennsylvania Public Utility Commission

Frank Wilmarth, Deputy Chief Counsel
Pennsylvania Public Utility Commission
Bohdan R. Pankiw, Chief Counsel
Pennsylvania Public Utility Commission

Dated: July 17, 1998

Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In The Matter Of

Access Charge Reform for Incumbent
Local Exchange Carriers Subject to
Rate-of-Return Regulation

FCC Docket No. 98-101
CC Docket No. 98-77

CERTIFICATE OF SERVICE

I, Maryanne Martin , hereby certify that I have on this 17th of July 1998, served a true and correct copy of the Comments of the Pennsylvania Public Utility Commission (PaPUC) upon the persons and in the manner indicated below:



Ms. Maryanne Martin
Assistant Counsel
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P.O. Box 3265
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July 17, 1998 by First Class Mail:

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